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TAGS: [ECON](#) [ETRD](#) [KIPR](#) [SNAR](#) [JO](#)
SUBJECT: JORDAN IPR UPDATE: SOME PROGRESS IN REVISING LAWS AND
STEADY ENFORCEMENT EFFORTS

REFS: A) AMMAN 20
B) 08 AMMAN 2420

¶1. (SBU) Summary: The Government of Jordan has continued its efforts to strengthen protection of intellectual property rights (IPR). Jordan's revised Copyright Law, updated to bring it into full compliance with the U.S.-Jordan Free Trade Agreement (FTA), has passed the Legislative and Opinion Bureau (LOB) review and will next move to the Cabinet before being submitted to Parliament. The revised Customs Law which will give officials ex officio authority to seize goods and initiate criminal proceedings was recently submitted to the LOB. The National Library has focused efforts on raids against electronics used to decode copyrighted material and has referred its first case of mobile phone piracy to the courts. Still, observers would like to see court sentencing strengthened for IPR cases. The Jordan Food and Drug Administration says that smuggled drugs are now a larger problem than counterfeit drugs and a new hospital automation pilot project to better manage inventory seeks to prevent theft of medicines for resale. The Public Security Directorate foiled a \$14 million drug-smuggling attempt in March. End Summary.

Two IPR Laws Move One Step Forward

¶2. (SBU) National Library (NL) Director General Mahmoud Talhouni told EmbOffs on April 7 that the Legislative and Opinion Bureau reviewed amendments to the Copyright Law that would bring it into full compliance with the U.S.-Jordan Free Trade Agreement (FTA). Among the changes are amendments which clarified distinctions between ownership, authorship and subsistence; and prohibited the creation of anthologies of copyrighted works as textbooks (ref B). In the end, final revisions requested by LOB were modest, but required extensive discussions because of their technical nature. Talhouni said the law must now be reviewed by the Cabinet. He was hopeful that the law would pass through Parliament relatively unchanged and commented that one of his strongest advocates is an Islamist Member of Parliament who is the author of two books.

¶3. (SBU) Dr. Mohammed Alrhahleh, Regional Manager of the Arab Federation for the Protection of Intellectual Property (AFPIP), which is working closely with Jordan Customs (JC), told EconOffs on April 7 that the amendments to the Customs Law had been finalized within JC and had been forwarded to the LOB for review. He said the most important change is the inclusion of Article 41 which will give

customs officers ex officio authority to seize goods and initiate criminal proceedings. He added AFPIP will be hosting a training session for customs officials in Aqaba on May 19 focused on enforcement.

Government Reasserts Mandate to Use Legal Software

¶4. (SBU) On March 9, the Prime Minister sent an annual letter to all ministries notifying them that all software used by the government must be licensed and not pirated in order for Jordan to be in compliance with its international treaties and bilateral agreements.

Hazem Malhas, CEO of Optimiza, Jordan's largest Information Technology (IT) company, said that IPR compliance is better for software than for other copyright categories, particularly DVDs and music. Providing a software example, he said that while it was once common for Jordanian architects to use pirated AutoCAD software, this practice was now increasingly rare. He said Microsoft and Oracle have sponsored innumerable IPR seminars for government and businesses to increase awareness of the need to use legal copies to ensure quality and updates, as well as to be in compliance with the law.

National Library's Recent Focus on Electronics

¶5. (SBU) Talhouni explained that Article 55 of the current Copyright Law bans the decoding of equipment or the import of equipment designed to decode copyrighted materials. He said that a recent NL raid resulted in the seizure of 187 satellite boxes used to pirate satellite television feeds. He said that at this point no store owner dares to put these devices on the shelf, but they remain

available, often kept in back rooms. He said the majority of the devices are smuggled from Dubai hidden as spare parts to other equipment.

¶6. (SBU) The National Library also recently conducted a raid with the General Intelligence Department (GID) on a web-based pirated DVD service that allowed customers to order pirated DVDs online or via phone that were later delivered to the customers' homes. NL also recently seized a computer being used to decode Apple iPhones so that the phones could be used with mobile phone service providers other than the lone authorized company. This iPhone case has been referred to the courts and is the first Jordanian case of mobile phone piracy.

Criticism of Courts' Role in Enforcement

¶7. (SBU) Talhouni added that sentencing in Jordan needs to get stricter. He said that sentencing done by the first instance courts has improved with additional judges focusing on IPR, more judges taking IPR training and the establishment of a specialized IPR court. He added, however, that the first appeals court is not yet specialized and too often overturns IPR cases. Alrhahleh agreed that the frequency of appeals is too high and said that the move away from arbitration proposed in the new Customs Law would exacerbate the problem since arbitration decisions are not appealable. Talhouni further criticized the Jordanian law which allows defendants to pay a \$127 fine in lieu of serving jail sentences of less than three months. Talhouni is most eager for legal changes that would ease the process of permanently closing stores selling pirated goods. He believes store closure is a better deterrent than fines or jail sentences. He says there are 25 stores in Jordan that he believes should be permanently closed.

Efforts to Fight Counterfeit and Smuggled Drugs

¶8. (SBU) Jordan Food and Drug Administration (JFDA) Director General Dr. Mohammed Rawashdeh said that multiple years of on-going raids on pharmacies have reduced the prevalence of counterfeit drugs in Jordan. He reported that while the total number of raids has increased, the number of pharmacies closed for violations fell from 171 in 2007 to approximately 60 in 2008 because fewer counterfeit drugs were found. He noted the number of pharmacies convicted of selling counterfeit medicine fell from 63 in 2007 to 13 in 2008. He

expects similar low numbers in 2009. He said that JFDA raids are now conducted until midnight and not just during business hours.

¶9. (SBU) Rawashdeh commented the amount of smuggled and stolen drugs, however, remains high with the majority of the latter being stolen from the Ministry of Health's public hospitals and later re-sold in private pharmacies. Ministry of Information and Communications Technology (MOICT) Secretary General Bashar Bashaireh said his ministry has launched a pilot project to improve hospital electronic record-keeping. Project manager Steve Stratton of Perot Systems predicts that the greatest cost savings from this automation project will come from improved inventory management of medicines and reduced theft and re-selling.

¶10. Public Security Department (PSD) officials announced that they had foiled an attempt to smuggle 3.5 million counterfeit Captagon pills worth \$14 million out of the country. NOTE: Captagon is the brand name of fenethylline, a banned synthetic drug used as a stimulant. END NOTE. Four Jordanians were arrested on March 23 for producing counterfeit versions of the legal drug and storing these pills in order to smuggle them abroad. The suspects are now in custody and the case has been turned over to the State Security Court for prosecution. In January, Jordan Customs also stopped an attempt to smuggle 39 kilograms of Captagon at one of the Syria border points. Jordan is primarily viewed as a drug transit point and is not a large consumer or producer country (ref A).

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